



UNITED AMERICAN BANK

September 15, 2005

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Honorable Donald E. Powell
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street Ecker Square, Suite 2300
San Francisco, CA 94105

RE: Comments Regarding FDIC Application #20051977; Wal-Mart Application for Insurance and Industrial Bank Charter

Dear Chairman Powell and Mr. Carter:

I am writing to comment on the Wal-Mart Stores, Inc. application for a Utah industrial loan company charter (ILC) and federal deposit insurance. **I oppose the application and urge the FDIC to deny the application.** I encourage the FDIC to conduct a public hearing on the application to allow small business owners and bankers to testify as to the destructive impact of Wal-Mart Bank.

Despite the narrow business plan proposed by Wal-Mart, the application to establish an LLC presents serious issues regarding the appropriate structure of our national banking system. A bank owned and operated by the world's largest retailer will expose the industry to a dangerous mixing of banking and commerce, distorted credit decisions, unstable economic concentration, superficial banking supervision, overextension of the federal safety net, potential losses to the taxpayer and long term community disinvestment.

Lack of umbrella supervision of the parent and the ILC promotes unsafe banking practices. The economic strength and general welfare of our nation depends upon strong and sound financial institutions that are closely supervised by federal and state regulatory agencies. The parent commercial corporation of an ILC is not subject to the same regulations and restrictions as a financial holding company. This is a substantial flaw.

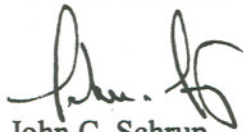
What would have happened to accountholders if Enron had a bank? Given the recent spate of accounting and balance sheet irregularities in the corporate world, such as Enron, WorldCom and Tyco, maintaining the separation between bank and commerce is critical. If the commercial enterprise fails, the bank may fail with it, as was the case in the Asian financial crisis of the 1990's. The cost of a failed commercially owned bank might

include loss of individual savings, harm to the FDIC deposit insurance program, and reduced consumer confidence in the American banking system.

For the reasons listed above, I strongly urge the FDIC to deny the Wal-Mart Bank application.

Cordially,

UNITED AMERICAN BANK

A handwritten signature in black ink, appearing to read "John C. Schrup", with a stylized flourish at the end.

John C. Schrup
President & CEO